COMMONWEALTH OF KENTUCKY

BEFORE THE ENERGY REGULATORY COMMISSION

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In the Matter of

THE APPLICATION OF KENTUCKY UTILITIES)

COMPANY FOR A CERTIFICATE OF CONVENIENCE) CASE NO.

AND NECESSITY TO APPLY FOR AN ELECTRIC) 7924

FRANCHISE FROM CERTAIN CITIES IN KENTUCKY)

ORDER

On the 25th day of July, 1980, Kentucky Utilities Company filed with the Commission its application seeking a certificate of convenience and necessity to qualify it to bid on electric franchises from the following cities: Livermore, Hartford, St. Charles, Augusta, Brooksville, Mentor, California, Butler, Mt. Olivet, Foster, Millersburg, North Middletown, Mt. Sterling, Winchester, Georgetown, Sadieville, Richmond, Campbellsville, Elizabethtown, Columbia, Manchester, Wallins, Liberty and Burnside. Under the provisions of KRS 278.020 (3), no utility may apply for a franchise from any governmental agency until it has obtained a certificate of convenience and necessity from this Commission based on our finding that there is a need and demand for the service sought to be rendered.

The Commission FINDS That there is a need and demand for electric service in the cities set forth above. Since the Commission's authority in such matters is limited by statute to finding only whether there is a need and demand for the service sought to be rendered, no finding or determination is made as to the validity of any of the provisions of the franchise offered by said cities or the manner in which any franchise fee is to be treated for rate purposes.

IT IS THEREFORE ORDERED That Kentucky Utilities Company be and it hereby is granted a certificate of convenience and necessity which authorizes it to bid on electric franchises in the territory of said cities.

IT IS FURTHER ORDERED That Kentucky Utilities Company, if it becomes the successful bidder, file with this Commission a copy of the said franchises.

IT IS FURTHER ORDERED That this Order shall not be construed as granting a certificate of convenience and necessity to construct utility facilities in said cities.

Done at Frankfort, Kentucky, this 1st day of August, 1980.

Chairman

Vice Chairman

Commissioner

ATTEST:

Secretary